

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al. (1) CASE NUMBER: 09-17787

OFFICE OF THE UNITED STATES TRUSTEE - BALTIMORE DIVISION
MONTHLY OPERATING REPORT
CHAPTER 11
BUSINESS DEBTORS

Form 2-A
COVER SHEET AND QUESTIONNAIRE

For Period Ended February 28, 2019

Accounting Method: ☒ Accrual Basis ☐ Cash Basis**THIS REPORT IS DUE 20 DAYS AFTER THE END OF THE MONTH**Mark One Box for Each
Required Document:Debtor must attach each of the following reports/documents unless the U. S. Trustee
has waived the requirement in writing. File the original with the Clerk of Court.
Submit a duplicate, with original signature, to the U. S. Trustee.

| Report/Document Attached | Previously Waived | REQUIRED REPORTS/DOCUMENTS |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. Cash Receipts and Disbursements Statement (Form 2-B) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Balance Sheet (Form 2-C) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. Profit and Loss Statement (Form 2-D) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Supporting Schedules (Form 2-E) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. Disbursements Summary (Form 2-F) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 6. Narrative (Form 2-G) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. Bank Statements for All Bank Accounts (See Exhibit A) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. Bank Statement Reconciliations for all Bank Accounts (See Exhibit A) |

QUESTIONNAIRE

Yes No

Please answer the questions below:

| | | |
|---|---------------|---------------|
| 1. Is the business still operating? | <u>X</u> (2) | <u> </u> |
| 2. Were any assets (other than inventory) sold this month? | <u> </u> | <u>X</u> |
| 3. Were all employees timely paid this month? | <u>X</u> | <u> </u> |
| 4. Are all insurance policies and operating licenses current and in effect? | <u>X</u> (3) | <u> </u> |
| 5. Did you open any new bank accounts this month? | <u> </u> | <u>X</u> |
| 6. Did you deposit all receipts into your DIP account this month? | <u>X</u> | <u> </u> |
| 7. Have all taxes been timely paid (payroll, sales, etc.)? | <u>X</u> | <u> </u> |
| 8. Are you current on U.S. Trustee quarterly fees payments? | <u>X</u> | <u> </u> |

I declare under penalty of perjury that the following Monthly Operating Report, and any statements and attachments thereto are true, accurate and correct to the best of my belief.

Executed on: 3/25/19 Print Name: Joel I. SherSignature: Title: Chapter 11 Trustee

- (1) Includes the following Debtors: TMST, Inc. f/k/a Thornburg Mortgage, Inc. (Case No. 09-17787), TMST Home Loans, Inc. f/k/a Thornburg Mortgage Home Loans, Inc. (Case No. 09-17791), TMST Hedging Strategies, Inc. f/k/a Thornburg Mortgage Hedging Strategies, Inc. (Case No. 09-17792), and TMST Acquisition Subsidiary, Inc. f/k/a Thornburg Acquisition Subsidiary, Inc. (Case No. 09-17790). The Adfitech, Inc. Monthly Operating Report is filed separately under Case No. 09-17788.
- (2) The Chapter 11 Trustee is in the process of winding-up all operations.
- (3) TMST Home Loans, Inc. is currently in the process of withdrawing state licenses due to the sale of the Servicing Portfolio.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT (1)
 For Period: 2/1/2019 to 2/28/2019

CASH FLOW SUMMARY

| | <u>Current Month</u> | <u>Accumulated</u> |
|---|--------------------------|--------------------------|
| Beginning Cash Balance | \$ <u>77,233,388</u> (2) | \$ <u>16,847,967</u> (2) |
| 2. Cash Receipts | | |
| Operations (3) | 108,484 | 29,111,943 |
| Sale of Assets | - | 81,041,433 |
| Loans/advances | - | 18,364,080 |
| Other | - | 126,546,077 |
| Account Transfer | - | 106,550,052 |
| Total Cash Receipts | \$ <u>108,484</u> | \$ <u>361,613,585</u> |
| 3. Cash Disbursements | | |
| Operations | 121,591 | 39,980,460 |
| Professional fees/U.S. Trustee fees | 178,032 | 47,131,630 |
| Other | - | 107,757,160 |
| Account Transfer | - | 106,550,052 |
| Total Cash Disbursements | \$ <u>299,623</u> | \$ <u>301,419,302</u> |
| 4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements) | <u>(191,139)</u> | <u>60,194,283</u> |
| 5. Ending Cash Balance (to Form 2-C) | \$ <u>77,042,249</u> (4) | \$ <u>77,042,249</u> (4) |

CASH BALANCE SUMMARY

| <u>Account Name/Number</u> | <u>Institution</u> | <u>Bank Balance</u> | <u>Deposits In Transit</u> | <u>Outstanding Checks</u> | <u>Book Balance</u> |
|----------------------------|-----------------------------|-------------------------|--------------------------------|-------------------------------|--------------------------|
| xxxxxx2822 | New Mexico Bank & Trust | 11,033,172 | 0 | 33,390 | 10,999,782 |
| xxxxxx1650 | New Mexico Bank & Trust | 50,726,075 | 0 | 0 | 50,726,075 |
| xxxxxx1807 | New Mexico Bank & Trust | 5,537 | 0 | 0 | 5,537 |
| xxxxxx2954 | New Mexico Bank & Trust | 1,198 | 0 | 0 | 1,198 |
| xxxxxx2989 | New Mexico Bank & Trust | 6,250 | 0 | 0 | 6,250 |
| xxxxxx5856 | New Mexico Bank & Trust | 446,396 | 0 | 0 | 446,396 |
| xxxxxx2842 | New Mexico Bank & Trust | 4,000,002 | 0 | 0 | 4,000,002 |
| xxxxxx9638 | The Bank of New York Mellon | 1,002 (5) | 0 | | 1,002 |
| xxxxxx9639 | The Bank of New York Mellon | 0 (5) | 0 | 0 | 0 |
| xxxxxx9681 | SunTrust Bank | 10,856,006 | 0 | 0 | 10,856,006 |
| xxxxxx5972 | SunTrust Bank | 0 | 0 | 0 | 0 |
| | | \$ <u>77,075,639</u> | \$ <u>-</u> | \$ <u>33,390</u> | \$ <u>77,042,249</u> (4) |

(1) The term "cash" as used herein includes all forms of currency (e.g., checks, cash, money orders, etc.)

(2) Accumulated beginning cash balance is the cash available at the commencement of the case.
Current month beginning cash balance equals the previous month's ending balance.

(3) Includes earned interest on United States Treasury Bill purchased at a discount.

(4) Current Month, Accumulated, and Book cash balances are the same.

(5) TMST, Inc. did not receive a more recent statement. Thus, the December 2013 statement is included in Exhibit A.

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT
 For Period: 2/1/2019 to 2/28/2019

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No:

xxxxxxx2822

| Date | Check No. | Payee | Description (Purpose) | Amount |
|--------------------------|-----------|--|---------------------------|-----------------------|
| 2/1/2019 | WIRE | Grant Thornton LLP | Professional services | \$ 6,152 |
| 2/1/2019 | WIRE | Grant Thornton LLP | Professional services | 2,540 |
| 2/1/2019 | WIRE | Quinn Emanuel Urquhart & Sullivan, LLP | Professional services | 10,496 |
| 2/1/2019 | WIRE | Goldin Associates, LLC | Professional services | 22,997 |
| 2/1/2019 | WIRE | Tydings & Rosenberg LLP | Professional services | 2,354 |
| 2/1/2019 | WIRE | Shapiro Sher Guinot & Sandler | Professional services | 56,015 |
| 2/1/2019 | WIRE | Harris N.A. | Bank Fee | 31 |
| 2/5/2019 | WIRE | Susman Godfrey LLP | Professional services | 69,867 |
| 2/5/2019 | WIRE | Grant Thornton LLP | Professional services | 7,612 |
| 2/13/2019 | WIRE | ADP Inc. | Payroll - Direct deposits | 21,417 |
| 2/14/2019 | 9099 | Russell-Massey and Company | Trustee Surety Bond | 33,390 |
| 2/14/2019 | WIRE | ADP, Inc. | Payroll taxes | 11,546 |
| 2/27/2019 | WIRE | ADP Inc. | Payroll - Direct deposits | 21,417 |
| 2/27/2019 | WIRE | State of Delaware | 2018 Annual Report | 385 |
| 2/27/2019 | WIRE | State of Delaware | 2018 Annual Report | 385 |
| 2/27/2019 | WIRE | State of Delaware | 2018 Annual Report | 555 |
| 2/28/2019 | WIRE | ADP, Inc. | Payroll taxes | 11,511 |
| Total Cash Disbursements | | | | \$ <u>278,670</u> (1) |

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 2

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B

CASH RECEIPTS STATEMENT

For Period: 2/1/2019 to 2/28/2019

CASH RECEIPTS DETAIL

(attach additional sheets as necessary)

Account No:

xxxxxxx2822

| Date | Payor | Description (Purpose) | Amount |
|---------------------|--------------------------|-------------------------|----------------------|
| 2/25/2019 | Wells Fargo Bank | Reinvestment Income | \$ 13,825 |
| 2/25/2019 | Ocwen Loan Servicing LLC | Credit Risk Advisor Fee | 112 |
| 2/25/2019 | Wells Fargo Bank | Credit Risk Advisor Fee | 81 |
| 2/25/2019 | Wells Fargo Bank | Credit Risk Advisor Fee | 43 |
| Total Cash Receipts | | | \$ <u>14,061</u> (1) |

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 2

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B
CASH RECEIPTS STATEMENT

For Period: 2/1/2019 to 2/28/2019**CASH RECEIPTS DETAIL***(attach additional sheets as necessary)*

Account No:

xxxxxxx1650

| Date | Payor | Description (Purpose) | Amount |
|---------------------|-------------------------|--------------------------------------|----------------------|
| 2/1/2019 | New Mexico Bank & Trust | Money Market Dividends | \$ 68 |
| 2/28/2019 | New Mexico Bank & Trust | United States Treasury Bill Interest | 94,354 (2) |
| Total Cash Receipts | | | \$ <u>94,422</u> (1) |

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 2

(2) Interest earned on United States Treasury Bill purchased at a discount.

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period: 2/1/2019 to 2/28/2019

CASH DISBURSEMENTS DETAIL

(attach additional sheets as necessary)

Account No:

xxxxxxx1650

| Date | Check No. | Payee | Description (Purpose) | Amount |
|--------------------------|-----------|--------------------------|-----------------------|----------------------|
| 2/6/2019 | | Wealth Advisory Services | Management Fee | \$ 20,562 |
| Total Cash Disbursements | | | | \$ <u>20,562</u> (1) |

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 2

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-B

CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period: 2/1/2019 to 2/28/2019

CASH DISBURSEMENTS DETAIL

(attach additional sheets as necessary)

Account No:

xxxxxxx2989

| Date | Check No. | Payee | Description (Purpose) | Amount |
|--------------------------|-----------|------------------------|-----------------------|-------------------|
| 2/1/2019 | ACH | ADP Financial Services | Payroll processing | \$ 91 |
| 2/8/2019 | ACH | ADP Financial Services | Payroll processing | 119 |
| 2/22/2019 | ACH | ADP Financial Services | Payroll processing | 182 |
| Total Cash Disbursements | | | | \$ <u>392</u> (1) |

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 2

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al. CASE NO: 09-17787

Form 2-C
COMPARATIVE BALANCE SHEET

For Period Ended: February 28, 2019

| | Current Month | Petition Date (1) |
|--|------------------------|------------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents (from Form 2-B) | \$ 77,042,249 | \$ 16,848,967 |
| Accounts Receivable (from Form 2-E) (2) | 310,341 | 9,403,326 |
| Other Current Assets (List): <u>Prepaid expenses & retainers (2)</u> | 452,419 | 4,807,453 |
| <u>Accrued interest receivable</u> | - | 47,878 |
| Total Current Assets | 77,805,009 | 31,107,624 |
| Fixed Assets: | | |
| Equipment, Furniture and Fixtures | 1,201,340 | 1,201,340 |
| Total Fixed Assets | 1,201,340 | 1,201,340 |
| Less: Accumulated Depreciation | 1,201,340 | 533,109 |
| Net Fixed Assets | - | 668,231 |
| Other Assets (List): | | |
| <u>Restricted cash</u> | - | 201,432,689 |
| <u>Mortgage servicing portfolio</u> | - | 87,104,385 |
| <u>Investment in subsidiaries (3)</u> | (6,000,000) | 21,244,747 |
| <u>Loan held for sale (4)</u> | - | 8,359,404 |
| <u>Deposits (5)</u> | 440,000 | 300,000 |
| TOTAL ASSETS | \$ 72,245,009 | \$ 350,217,080 |
| LIABILITIES | | |
| Post-petition Accounts Payable (from Form 2-E) (2) | \$ 207,293 | \$ - |
| Post-petition Accrued Professional Fees (from Form 2-E) (2) | 3,976,133 | - |
| Post-petition Taxes Payable (from Form 2-E) | - | - |
| Other Post-petition Payable(List): <u>Contingent obligations (6)</u> | 2,686,773 | - |
| Total Post Petition Liabilities | 6,870,199 | - |
| Pre Petition Liabilities: | | |
| Secured Debt | - | - |
| Unsecured Debt (3) | 2,397,480,976 | 3,664,898,118 |
| Total Pre Petition Liabilities | 2,397,480,976 | 3,664,898,118 |
| TOTAL LIABILITIES | 2,404,351,175 | 3,664,898,118 |
| OWNERS' EQUITY | | |
| Owner's/Stockholder's Equity | 3,640,741,359 | 3,640,741,359 |
| Retained Earnings - Prepetition | (6,955,422,396) | (6,955,422,396) |
| Retained Earnings - Post-petition (7) | 982,574,871 | - |
| TOTAL OWNERS' EQUITY | (2,332,106,166) | (3,314,681,037) |
| TOTAL LIABILITIES AND OWNERS' EQUITY | \$ 72,245,009 | \$ 350,217,080 |

(1) Petition date values are taken from the Debtors' balance sheet as of the petition date or are the values listed on the Debtors' schedules.

(2) On March 05, 2012, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement of all claims asserted against SAF Financial, Inc., Orrick, Herrington & Sutcliffe LLP, Thornburg Mortgage Advisory Corporation and other individual defendants, was approved. As a result of the settlement, the Defendants made a Settlement Payment of \$6.5 million to TMST, Inc. The Settlement Payment includes payment of various amounts by all of the Defendants, including the return by Orrick of a \$334,533 retainer, the return by Orrick of \$163,818 TMST paid for post-petition services, and a waiver by Orrick of \$449,718 in unpaid fees and expenses incurred post-petition for which it was not paid. As part of the Settlement, TMST alleviated from its balance sheet, a \$250,000 retainer paid to TMAC, \$492,482 in accounts receivable from TMAC, and \$549,457 in unpaid fees to TMAC.

Beginning April 2015, fees and expenses for the Trustee's Counsel include fees incurred in the connection with all matters with the exception of Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties). With respect to fees and expenses incurred in connection with Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties), compensation is subject to the Court's Order Approving (In Part) Trustee's Application [Dkt. No. 2120] for Authority to Employ Special Litigation Counsel and to Make Limited Modification to the Terms of the Existing Retention Order for Counsel to the Trustee which is found at [Dkt. No. 2191] (the "Retention Order"). Accruals and payments to The Trustee's Counsel are based on monthly applications for interim compensation, special litigation counsel fees, and reimbursement of expenses incurred.

(3) Pre-petition unsecured debt includes a \$1.1 billion fair value adjustment for Senior Subordinated Secured Notes recorded under GAAP. Total pre-petition liabilities prior to the fair value adjustment is \$4,542,124,192.

On March 15, 2010 the Second Amended Chapter 11 Plan of Reorganization for ADFITECH, Inc. became effective. TMST Home Loans interests were deemed cancelled on the Effective Date and Senior Notes Guarantee Claims against TMST, Inc. were reduced by \$38.6 million under the plan.

On February 22, 2012, The Bankruptcy Court issued its decision in the MSR Litigation on the question of allocation of proceeds from the sale of TMHL's Servicing Portfolio. The Bankruptcy Court determined certain Counterparties held a security interest equal to 95% of the proceeds from the sale of the Servicing Portfolio and the estate held an interest in 5% of those proceeds. Furthermore the Bankruptcy Court determined that the Counterparties security interest did not extend to any reimbursements obtained from the sale of the Servicing Portfolio. In order to resolve all remaining issues in the MSR Litigation and to implement the Bankruptcy Courts decision, the Trustee transferred \$71,670,314 from SunTrust Bank to the Collateral Agent for the benefit of the Counterparties on September 13, 2012, \$413,319 on December 17, 2012, and \$2,253,360 on May 28, 2013. The parties agreed that the Trustee retains the right to seek the surcharge or recovery of any portion of the MSR Sale Commission from the Counterparties, and therefore the \$2,253,360 remains subject to the Trustee's surcharge claims.

On October 26, 2018, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement and release agreement between the Trustee and RBS Defendants was approved. RBS Defendants have agreed to pay TMST, Inc. \$23.5 Million in satisfaction of all claims. In addition, the RBS Defendants have agreed that their Proofs Of Claim in the aggregate approximate amount of \$828.9 Million will be deemed disallowed and expunged in the Bankruptcy Case. RBS Defendants are one of five groups named defendants in the matter of Joel I. Sher, in his capacity as Chapter 11 Trustee for TMST, et al. v. JPMorgan Chase Funding Inc., et al., ADV. P. 11-00340.

- (4) On July 23, 2013, The Bankruptcy Court granted the Trustee's motion for Approval of Settlement and Compromise of Controversies among the Trustee, Luxury Mortgage Corp., and Commonwealth Land Title Insurance Co., for a settlement amount of \$1 million with respect to the mortgage loan purchased from Luxury Mortgage Corp.
- (5) On August 27, 2013, The Bankruptcy Court granted the Trustee's motion for Approval of Settlement and Compromise of Controversies between the Trustee and Liberty Mutual Insurance Company, for a settlement amount of \$2.275 million, less attorney's fees and costs. Liberty Mutual has agreed, over time, to return the remaining collateral as the penal bonds expire less claims and attorney's fees and costs. On July 2, 2014, October 5, 2016 and July 2, 2018 Liberty Mutual returned additional collateral on expired penal bonds.
- (6) Includes cash payments received that will require bankruptcy court ruling to resolve ownership issues. The settlement and release agreement between the Trustee and RBS Defendants reduced certain disputed contingent obligations by \$609,514 in November 2018.
- (7) Post-petition Retained Earning includes a loss of \$4.23 million related to 2009, income of \$2.99 million related to 2010, a loss of \$10.24 million related to 2011, a loss of \$1 million related to 2012, a loss of \$1.97 million related to 2013, income of \$11.32 million related to 2014, income of \$1.17 million related to 2015, a loss of \$5.33 million related to 2016, income of \$25.66 million related to 2017, and income of \$964.54 million related to 2018.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-D
PROFIT AND LOSS STATEMENT

For Period From: February 1, 2019 to February 28, 2019

| | <u>Current Month</u> | <u>Post-petition Accumulated Total (1)</u> |
|--|--------------------------|--|
| Operating Revenue | | |
| Interest income (2) | \$ 94,473 | \$ 6,498,431 |
| Mortgage servicing income | 14,061 | 22,135,155 |
| Net Operating Revenue | <u>108,534</u> | <u>28,633,586</u> |
| Total interest expense / (benefit) (3) | - | (1,195,076) |
| Gross Profit | <u>108,534</u> | <u>29,828,662</u> |
| Operating Expenses | | |
| Officer Compensation | - | 895,390 |
| Selling, General and Administrative | 196,610 | 41,126,522 |
| Rents and Leases | 6,811 | 1,492,301 |
| Depreciation, Depletion and Amortization | - | 668,240 |
| Other (list): _____ | - | - |
| | <u>-</u> | <u>-</u> |
| Total Operating Expenses | <u>203,421</u> | <u>44,182,453</u> |
| Operating Income / (Loss) | <u>(94,887)</u> | <u>(14,353,791)</u> |
| Non-Operating Income / (Expenses) | | |
| Earnings from subsidiaries | - | 3,368,902 |
| Other Non-Operating Income (4) | - | 112,203,987 |
| Gain on extinguishment of debt (5) | - | 950,449,707 |
| Net Non-Operating Income / (Expenses) | <u>-</u> | <u>1,066,022,596</u> |
| Reorganization Expenses | | |
| Legal and Professional Fees (6) | 83,399 | 64,651,945 |
| Other Reorganization Expense | 547 | 4,736,842 |
| Total Reorganization Expenses | <u>83,946</u> | <u>69,388,787</u> |
| Net Income / (Loss) Before Income Taxes | <u>(178,833)</u> | <u>982,280,018</u> |
| Federal and State Income Tax Expense / (Benefit) (7) | - | (294,853) |
| NET INCOME / (LOSS) | <u>\$ (178,833)</u> | <u>\$ 982,574,871</u> |

(1) Accumulated Totals include all revenue and expenses since the petition date.

(2) Accumulated total includes approximately \$4.5 million of \$29.9 million in certain Owner Trust residual interest distributions that may require bankruptcy court ruling to resolve ownership issues. To be conservative, the Company has not recorded a \$25.4 million receivable or the related income.

(3) Accumulated total reflects amortization of derivatives.

(4) Accumulated total includes a \$812,915 settlement with ADCO Trust Parties related to Thornburg Mortgage Securites Trust 2007-3 claims, a \$23.5 million settlement with RBS Defendants related to various financing and derivative transactions, a \$30.125 million settlement with RBC Capital Markets, LLC related to margin calls and the liquidation of collateral held for 2007 repurchase transactions, a \$23 million settlement with Barclays Capital related to margin calls and the liquidation of collateral held for 2007 repurchase transactions, a settlement with Goldman, Sachs & Co. related to margin calls and the liquidation of collateral held for 2008 repurchase transactions, a \$40,000 settlement with SS&C Technologies, Inc. to recover prepetition transfers, a \$9 million loss from the settlement with respect to the mortgage loan purchased from Luxury Mortgage Corp., a \$4.3 million class action settlement distribution from Wells Fargo Mortgage-Backed Certificate Litigation, a \$3 million payment under Zuni Joint Prosecution Agreement related to settlement with Countrywide Home Loans, Inc. and Bank of America, a \$6.5 million settlement from SAF Financial, et al., a \$100 thousand settlement from Big Tree, Inc., an approximately \$1 million settlement from Bank of America, an \$8 million gain on the reorganization of Adfitech, Inc., a \$3.9 million gain on the servicing portfolio, a \$3.3 million loss

incurred on the whole loan liquidation and a \$3.9 million gain on cancellation of auction swaps agreements by CSFB and RBS as reported in each entity's respective bankruptcy claim filings.

- (5) On October 26, 2018, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement and release agreement between the Trustee and RBS Defendants was approved. As part of the terms of the settlement, the parties exchanged mutual releases and the RBS Defendants Proof of Claim will be disallowed.
- (6) Beginning April 2015, fees and expenses for the Trustee's Counsel include fees incurred in the connection with all matters with the exception of Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties). With respect to fees and expenses incurred in connection with Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties), compensation is subject to the Court's Order Approving (In Part) Trustee's Application [Dkt. No. 2120] for Authority to Employ Special Litigation Counsel and to Make Limited Modification to the Terms of the Existing Retention Order for Counsel to the Trustee which is found at [Dkt. No. 2191] (the "Retention Order"). Accruals and payments to The Trustee's Counsel are based on monthly applications for interim compensation and reimbursement of expenses incurred.
- (7) In early January 2010, the Trustee signed a Consent Agreement with the Internal Revenue Service to change TMST, Inc.'s method of accounting related to the reporting of taxable income associated with REMIC regular interests. Due to the large 2009 operating losses for TMST, Inc. no tax liability was incurred. For tax year 2010, the Trustee was advised TMST, Inc. no longer qualified as a REIT and filed a consolidated return. Due to prior net operating losses, no tax liability was incurred in 2010, 2011, 2012, 2013, 2014, 2015, 2016 or 2017.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787Form 2-E
SUPPORTING SCHEDULESFebruary 1, 2019 to February 28, 2019POST PETITION TAXES PAYABLE SCHEDULE

| | <u>Beginning Balance</u> | <u>Amount Accrued</u> | <u>Amount Paid</u> | <u>Date Paid</u> | <u>Check Number</u> | <u>Ending Balance</u> |
|------------------------------|------------------------------|---------------------------|------------------------|----------------------|-------------------------|---------------------------|
| Income Tax Withheld | | | | | | |
| Federal | \$ - | 5,474 | \$ 5,474 | 2/14/2019 | Wire | \$ - |
| | | 5,474 | 5,474 | 2/28/2019 | Wire | - |
| | | | | | | - |
| State | - | 1,349 | 1,349 | 2/14/2019 | Wire | - |
| | | 1,349 | 1,349 | 2/28/2019 | Wire | - |
| | | | | | | - |
| FICA Tax Withheld | - | 2,339 | 2,339 | 2/14/2019 | Wire | - |
| | | 2,339 | 2,339 | 2/28/2019 | Wire | - |
| | | | | | | - |
| Employer's FICA Tax | - | 2,339 | 2,339 | 2/14/2019 | Wire | - |
| | | 2,339 | 2,339 | 2/28/2019 | Wire | - |
| | | | | | | - |
| Unemployment Tax | | | | | | |
| Federal | - | | | | | - |
| | | | | | | - |
| State | - | 45 | 45 | 2/14/2019 | Wire | - |
| | | 9 | 9 | 2/28/2019 | Wire | - |
| | | | | | | - |
| Sales, Use & Excise Taxes | - | | | | | - |
| Property Taxes | - | | | | | - |
| Accrued Income Tax | | | | | | |
| Federal | - | | | | | - |
| State | - | | | | | - |
| TOTALS | <u>\$ -</u> | <u>\$ 23,057</u> | <u>\$ 23,057</u> | | | <u>\$ -</u> |

INSURANCE SCHEDULE

| | <u>Carrier</u> | <u>Amount of Coverage</u> | <u>Expiration Date</u> | <u>Premiums Paid Through</u> |
|--------------------------------|----------------------------------|-------------------------------|----------------------------|--------------------------------------|
| Workers' Compensation | The Cincinnati Insurance Co. | \$ 500,000/incident | 8/1/2019 | 8/1/2019 |
| General Liability | The Cincinnati Insurance Co. | \$ 1,000,000/incident | 8/1/2019 | 8/1/2019 |
| Property (Fire, Theft) (1) | N/A | | | |
| Vehicle (1) | N/A | | | |
| Directors & Officers (Excess) | N/A | | | |
| Directors & Officers (Primary) | N/A | | | |
| Trustee Surety Bond | Liberty Mutual Insurance Company | \$ 86,000,000 | 10/28/2019 | 10/28/2019 |

(1) Commercial Property and Vehicle coverage are included in the General Liability Commercial Package policy.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-E
SUPPORTING SCHEDULES
For Period: 2/1/2019 to 2/28/2019

ACCOUNTS RECEIVABLE AND POST PETITION PAYABLE AGING

| <u>Due</u> | <u>Accounts Receivable (1)</u> | <u>Post Petition Accounts Payable (2)</u> |
|--|---|---|
| Under 30 days | \$ 75 | \$ 380,892 |
| 30 to 60 days | - | 192,456 |
| 61 to 90 days | - | 4,794 |
| 91 to 120 days | - | 5,679 |
| Over 120 days | - | 3,599,604 |
| Unavailable | 191,008 (3) | |
| Total Post Petition | 191,083 | |
| Pre Petition Amounts | 119,258 (3) | |
| Total Accounts Receivable | 310,341 | |
| Less: Bad Debt Reserve | - | |
| Net Accounts Receivable (to Form 2-C) | \$ 310,341 | |
| | Total Post Petition Accounts Payable | \$ 4,183,426 |

(1) See Exhibit B for Accounts Receivable Aging

(2) See Exhibit C for Accounts Payable Aging

(3) Receivable amounts include balances due from multiple mortgage loan holders. Aging of the balances due is not available.

SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS

| | <u>Month-end Retainer Balance</u> | <u>Current Month's Accrual</u> | <u>Paid in Current Month</u> | <u>Date of Court Approval</u> | <u>Month-end Balance Due * (1)</u> |
|--|-----------------------------------|--------------------------------|------------------------------|-------------------------------|------------------------------------|
| Debtor's Counsel (2) | \$ - | \$ - | \$ - | | \$ - |
| Debtor's Special Counsel (3) | - | - | - | | - |
| Creditors' Committee's Counsel | 100,000 | 4,767 | 12,850 | | 81,608 |
| Unsecured Creditors' Financial Advisor | - | - | - | | 10,591 |
| Chapter 11 Trustee (4) | - | - | - | | 3,500,000 |
| Trustee's Counsel (5) | - | 105,000 | 125,882 | | 285,804 |
| Trustee's Financial Advisor | - | 20,000 | 39,301 | | 35,021 |
| Trustee's Tax Advisor (6) | - | - | - | | 35,473 |
| Trustee's Consultant | - | - | - | | 17,483 |
| Claims Agent | - | 7,285 | - | | 10,154 |
| Total | \$ 100,000 | \$ 137,052 | \$ 178,032 | | \$ 3,976,133 |

* Balance due to include fees and expenses incurred but not yet paid.

(1) Includes estimates for amounts that may be due to professionals for which an invoice for services had not been received.

(2) Retainer Balance, net of outstanding fees, was returned to TMST, Inc. on August 3, 2010

(3) Orrick, Herrington & Sutcliffe LLP is no longer Debtors' Special Counsel. The balance due became the subject of an adversary proceeding filed against Orrick, Herrington & Sutcliffe LLP and other related parties. On March 05, 2012, the Trustee's motion with The Bankruptcy Court seeking approval of a settlement of all claims asserted against SAF Financial, Inc., Orrick, Herrington & Sutcliffe LLP, Thornburg Mortgage Advisory Corporation and other individual defendants, was approved. As a result of the settlement, the Defendants made a Settlement Payment of \$6.5 million to TMST, Inc. The Settlement Payment includes payment of various amounts by all of the Defendants, including the return by Orrick of a \$334,533 retainer, the return by Orrick of \$163,818 TMST paid for post-petition services, and a waiver by Orrick of \$449,718 in unpaid fees and expenses incurred post-petition for which it was not paid.

(4) Chapter 11 Trustee commission is an estimate based on time spent performing the Trustee function at customary rates and accumulated disbursements. The actual commission awarded is subject to Bankruptcy Court approval and will vary from the estimate.

(5) Beginning April 2015, fees and expenses for the Trustee's Counsel include fees incurred in the connection with all matters with the exception of Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties). With respect to fees and expenses incurred in connection with Matter No. 022, J.P. Morgan, Inc. Chase Funding (Counter-Parties), compensation is subject to the Court's Order Approving (In Part) Trustee's Application [Dkt. No. 2120] for Authority to Employ Special Litigation Counsel and to Make Limited Modification to the Terms of the Existing Retention Order for Counsel to the Trustee which is found at [Dkt. No. 2191] (the "Retention Order"). Accruals and payments to The Trustee's Counsel are based on monthly applications for interim compensation, special litigation counsel fees, and reimbursement of expenses incurred.

(6) The Chapter 11 Trustee was authorized to retain KPMG LLP to provide tax compliance and consulting services on May 26, 2010 pursuant to their February 26, 2010 engagement letter. Payments for services rendered prior to February 28, 2010 are reported pursuant to the Ordinary Course Professional Compensation Procedures.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.

CASE NO: 09-17787

Form 2-E

SUPPORTING SCHEDULES

For Period: 2/1/2019 to 2/28/2019

SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES**

| <u>Payee Name</u> | <u>Position</u> | <u>Nature of Payment</u> | <u>Amount</u> |
|-------------------|-----------------|--------------------------|---------------|
| <u>N/A</u> | | | |

**List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer or director.

Rev. 4/2008

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.CASE NO: 09-17787

Form 2-F
DISBURSEMENT SUMMARY
For the Month Ended: February 28, 2019

QUARTERLY DISBURSEMENT CALCULATION

| | TMST, Inc., et al. |
|---|--------------------------|
| 1. Disbursements made in calendar quarter | |
| January 2019 | \$ 453,918 |
| February 2019 | 299,623 |
| March 2019 | |
| Quarterly Total | <u>\$ 753,541</u> |

FEE SCHEDULE

| <u>Quarterly Disbursements</u> | <u>Fee</u> | <u>Quarterly Disbursements</u> | <u>Fee</u> |
|--------------------------------|------------|--------------------------------|----------------------------------|
| \$0 to \$14,999..... | \$325 | \$1,000,000 or more | 1% of quarterly disbursements |
| \$15,000 to \$74,999..... | \$650 | | or \$250,000, whichever is less. |
| \$75,000 to \$149,999..... | \$975 | | |
| \$150,000 to \$224,999..... | \$1,625 | | |
| \$225,000 to \$299,999..... | \$1,950 | | |
| \$300,000 to \$999,999..... | \$4,875 | | |

Interest will be assessed on Chapter 11 quarterly fees not paid by the end of the month following the end of the calendar quarter pursuant to 31 U.S.C. Sec. 3717. The interest rate assessed is the rate in effect as determined by the Treasury Department at the time the account becomes past due.

Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]

System: 3/15/2019 1:27:07 PM
User Date: 3/15/2019

TMST, Inc. f/k/a Thornburg Mor
RECONCILIATION POSTING JOURNAL
Bank Reconciliation

Page: 1
User ID: nvelasco

Audit Trail Code: CMADJ000000241
Checkbook ID: TMA
Description: New Mexico Bank & Trust

Bank Statement Ending Balance: \$11,033,172.43
Bank Statement Ending Date: 2/1/2019
Cutoff Date: 2/28/2019

| | |
|--------------------------------|-----------------|
| Statement Ending Balance | \$11,033,172.43 |
| Outstanding Checks (-) | \$33,390.00 |
| Deposits in Transit (+) | \$0.00 |
| | ----- |
| Adjusted Bank Balance | \$10,999,782.43 |
| | ----- |
| Checkbook Balance as of Cutoff | \$10,999,782.43 |
| Adjustments | \$0.00 |
| | ----- |
| Adjusted Book Balance | \$10,999,782.43 |
| | ----- |
| Difference | \$0.00 |
| | ===== |

System: 3/15/2019 1:27:10 PM
User Date: 3/15/2019

TMST, Inc. f/k/a Thornburg Mor
OUTSTANDING TRANSACTIONS REPORT
Bank Reconciliation

Page: 1
User ID: nvelasco

Checkbook ID: TMA
Description: New Mexico Bank & Trust
Sorted By: Type

| Type | Number | Date | Paid To/Rcvd From | Trx Amount |
|------|--------|-----------|----------------------------|---------------|
| CHK | 9099 | 2/14/2019 | Russell-Massey and Company | (\$33,390.00) |

1 Transaction(s)

Totals:

| | |
|--------------------|-------------|
| Number of Payments | 1 |
| Amount of Payments | \$33,390.00 |
| Number of Deposits | 0 |
| Amount of Deposits | \$0.00 |

PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

TMST INC
 DIP CASE # 09 17787
 125 LINCOLN AVE SUITE 100
 SANTA FE NM 87501-2052

*****822
 PAGE NUMBER 1
 STATEMENT DATE 02-28-19
 ENC 16

 * ACCOUNT TYPE: BUSINESS ANALYSIS CHECKING
 * ACCOUNT NUMBER: *****822
 BEGINNING BALANCE 01-31-19 11,419,469.85
 + DEPOSITS AND OTHER CREDITS 91,508.83
 - CHECKS AND OTHER WITHDRAWALS 477,806.25
 - SERVICE FEES .00
 ENDING BALANCE 02-28-19 11,033,172.43

DEPOSITS AND OTHER CREDITS
 DATE DESCRIPTION AMOUNT
 02/01/19 WIRE IN TMST INC 7,580.84
 02/01/19 WIRE IN TMST INC 69,866.65
 02/25/19 WIRE IN WELLS FARGO 13,825.26
 02/25/19 WIRE IN WELLS FARGO 42.55
 02/25/19 WIRE IN WELLS FARGO 81.40
 02/25/19 WIRE IN OCWEN LOAN SERVICING L 112.13

TOTAL # CREDITS 6 TOTAL CREDITS 91,508.83

CHECKS PAID

| NUMBER | AMOUNT | DATE | NUMBER | AMOUNT | DATE |
|--------|-----------|----------|--------|-----------|----------|
| 9083 | 708.91 | 02/04/19 | 9091 | 8.83 | 02/04/19 |
| 9084 | 323.85 | 02/07/19 | 9092 | 36.05 | 02/04/19 |
| 9085 | 73.03 | 02/04/19 | 9093 | 169.45 | 02/05/19 |
| 9086 | 36.68 | 02/05/19 | 9094 | 1,093.00 | 02/06/19 |
| 9087 | 2,577.50 | 02/06/19 | 9095 | 13,875.65 | 02/05/19 |
| 9088 | 53,282.00 | 02/05/19 | 9096 | 73,402.49 | 02/11/19 |
| 9089 | 25.00 | 02/05/19 | 9097 | 1,285.10 | 02/01/19 |
| 9090 | 1,369.60 | 02/05/19 | 9098 | 6,811.31 | 02/05/19 |

TOTAL # CHECKS PAID 16 TOTAL CHECKS PAID 155,078.45

OTHER WITHDRAWALS
 DATE DESCRIPTION AMOUNT
 02/01/19 WIRE OUT Tydings Rosenberg 2,354.00-
 02/01/19 WIRE OUT Grant Thornton 6,151.68-
 02/01/19 WIRE OUT Susman Godfrey 69,866.65-
 02/01/19 WIRE OUT Shapiro Sher Guinot & 56,015.12-
 02/01/19 WIRE OUT Goldin Associates 22,997.00-
 02/01/19 WIRE OUT Quinn Emanuel 10,496.15-
 02/01/19 WIRE OUT Grant Thornton 2,540.16-
 02/01/19 WIRE OUT Grant Thornton 7,611.84-
 02/05/19 WIRE OUT Susman Godfrey 69,866.65-
 02/05/19 WIRE OUT Grant Thornton 7,611.84-
 02/13/19 WIRE OUT ADP CLIENT TRUST 21,417.41-
 02/14/19 WIRE OUT ADP CLIENT TRUST 11,546.39-
 02/27/19 WIRE OUT ADP CLIENT TRUST 21,417.39-
 02/27/19 DE eCorp Tax E-CHECK TMST Inc 0251526338 555.00-
 02/27/19 DE eCorp Tax E-CHECK TMST Inc 0300059965 385.00-
 02/27/19 DE eCorp Tax E-CHECK TMST Inc 0307047892 385.00-
 02/28/19 WIRE OUT ADP CLIENT TRUST 11,510.52-

PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

TMST INC
 DIP CASE # 09 17787
 125 LINCOLN AVE SUITE 100
 SANTA FE NM 87501

*****822
 PAGE NUMBER 2
 STATEMENT DATE 02-28-19

TOTAL # OTHER WITHDRAWALS 17 TOTAL OTHER WITHDRAWALS 322,727.80-

 BALANCE SUMMARY

| DATE | BALANCE | DATE | BALANCE | DATE | BALANCE |
|----------|---------------|----------|---------------|----------|---------------|
| 01/31/19 | 11,419,469.85 | 02/01/19 | 11,317,599.64 | 02/04/19 | 11,316,772.82 |
| 02/05/19 | 11,163,724.64 | 02/06/19 | 11,160,054.14 | 02/07/19 | 11,159,730.29 |
| 02/11/19 | 11,086,327.80 | 02/13/19 | 11,064,910.39 | 02/14/19 | 11,053,364.00 |
| 02/25/19 | 11,067,425.34 | 02/27/19 | 11,044,682.95 | 02/28/19 | 11,033,172.43 |

**Wealth Advisory Services**

320 Gold Ave. | Ste. 200 | P.O. Box 2300
Albuquerque, NM 87103-2300

Table of Contents

| | |
|-------------------------------|---|
| Your Portfolio Summary..... | 3 |
| Overview of Your Account..... | 4 |
| Your Asset Summary..... | 5 |
| Your Portfolio Holdings..... | 6 |
| Your Transaction Detail..... | 7 |
| For Your Information..... | 9 |

Your Monthly Portfolio Statement

February 1, 2019 - February 28, 2019

Your Financial Advisor(s)

Anna Grace +1 505 830-8206 agrace@nmb-t.com

Accounts Included In This Statement

1650 TMST Inc. DIP Case 09 17787 Custodial Account

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019



This page intentionally left blank.

WEALTH ADVISORY SERVICES

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019

Your Portfolio Summary

Activity Summary

| | This Period (\$) | Year to Date (\$) |
|-------------------------------------|------------------------|------------------------|
| Beginning Market Value | 50,652,213.81 | 50,541,306.64 |
| Cash and security transfers | -1,501.02 | -1,501.02 |
| Contributions | 0.00 | 0.00 |
| Income & Capital Gain Distributions | 68.48 | 11,882.09 |
| Fees | -19,060.70 | -19,060.70 |
| Withdrawals | 0.00 | 0.00 |
| Change in Account Value | 94,354.01 | 193,447.57 |
| Market Value on Feb 28, 2019 | \$50,726,074.58 | \$50,726,074.58 |

Income Earned

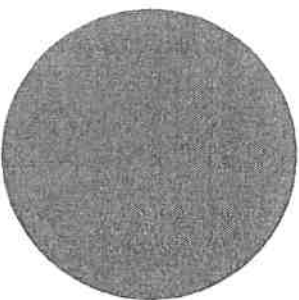
| | This Period (\$) | Year to Date (\$) |
|--|------------------|--------------------|
| Taxable Income | 68.48 | 11,882.09 |
| Tax-Exempt Income | 0.00 | 0.00 |
| Tax-Deferred Income | 0.00 | 0.00 |
| Total Income Earned | \$68.48 | \$11,882.09 |
| Total Short Term Realized Capital Gain/Loss | \$0.00 | \$0.00 |
| Total Long Term Realized Capital Gain/Loss | \$0.00 | \$0.00 |
| Total Realized Capital Gain/Loss | \$0.00 | \$0.00 |

This summary is for your reference. It is not intended for tax-reporting purposes. Taxable income is taxable at the federal level and may be taxable at the state level.

Asset Allocation on February 28, 2019

| | Market Value (\$) | Percent |
|--------------------------------|------------------------|-------------|
| Fixed Income | 50,709,865.54 | 100% |
| Cash and Cash Equivalents | 16,209.04 | 0% |
| Total of Your Portfolio | \$50,726,074.58 | 100% |

Pending Transactions could include any of the following items: overdrawn portfolios within the account, cash transfers posted after the last sweep run at month end, purchases placed after the last sweep run at month end, non marketable securities that are classified as liabilities or assets in the account with negative market value.



WEALTH ADVISORY SERVICES

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019

Overview of Your Account - 1650 TMST Inc. DIP Case 09 17787 Custodial Account

Activity Summary

| | This Period (\$) | Year to Date (\$) |
|-------------------------------------|------------------|-------------------|
| Beginning Market Value | 50,652,213.81 | 50,541,306.64 |
| Cash and security transfers | -1,501.02 | -1,501.02 |
| Contributions | 0.00 | 0.00 |
| Income & Capital Gain Distributions | 68.48 | 11,882.09 |
| Fees | -19,060.70 | -19,060.70 |
| Withdrawals | 0.00 | 0.00 |
| Change in Account Value | 94,354.01 | 193,447.57 |
| Market Value on Feb 28, 2019 | \$50,726,074.58 | \$50,726,074.58 |

Income Earned

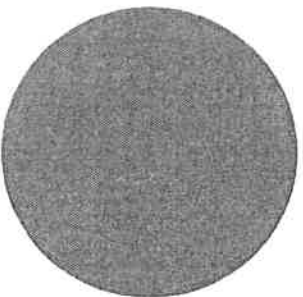
| | This Period (\$) | Year to Date (\$) |
|--|------------------|--------------------|
| Taxable Income | 68.48 | 11,882.09 |
| Tax-Exempt Income | 0.00 | 0.00 |
| Tax-Deferred Income | 0.00 | 0.00 |
| Total Income Earned | \$68.48 | \$11,882.09 |
| Total Short Term Realized Capital Gain/Loss | \$0.00 | \$0.00 |
| Total Long Term Realized Capital Gain/Loss | \$0.00 | \$0.00 |
| Total Realized Capital Gain/Loss | \$0.00 | \$0.00 |

This summary is for your reference. It is not intended for tax-reporting purposes. Taxable income is taxable at the federal level and may be taxable at the state level.

Asset Allocation on February 28, 2019

| | Market Value (\$) | Percent |
|------------------------------|------------------------|-------------|
| Fixed Income | 50,709,865.54 | 100% |
| Cash and Cash Equivalents | 16,209.04 | 0% |
| Total of Your Account | \$50,726,074.58 | 100% |

Pending Transactions could include any of the following items: overdrawn portfolios within the account, cash transfers posted after the last sweep run at month end, purchases placed after the last sweep run at month end, non marketable securities that are classified as liabilities or assets in the account with negative market value.



WEALTH ADVISORY SERVICES

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019

Your Asset Summary on February 28, 2019

| | Market Value | Cost Basis | Unrealized Gain or Loss | Estimated Annual Income | Yield at Market | % of Account |
|--|-----------------------------------|------------------------|-------------------------|-------------------------|-----------------|----------------|
| TMST Inc. DIP Case 09 17787 Custodial Account | | | | | | |
| Fixed Income | 50,709,865.54 | 50,485,399.21 | 224,466.33 | 0.00 | | 99.97% |
| Cash and Cash Equivalents | 16,209.04 | 16,209.04 | 0.00 | 359.84 | 2.22% | 0.03% |
| Total for | 1650 TMST Inc. DIP Case 09 | \$50,726,074.58 | \$50,501,608.25 | \$224,466.33 | \$359.84 | 100.00% |
| 17787 Custodial Account | | | | | | |

WEALTH ADVISORY SERVICES

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019

Your Portfolio Holdings on February 28, 2019

| | Number of Shares | Share Price | Market Value | Cost Basis | Unrealized Gain or Loss | Est. Ann. Inc. / Yield at Market | % of Account |
|--|------------------|-------------|------------------------|------------------------|-------------------------|----------------------------------|----------------|
| Fixed Income | | | | | | | |
| Fixed Income | | | | | | | |
| United States Treasury Bill Zero 07 Mar 2019 | 20,100,000.00 | 99.9549 | 20,090,932.69 | 19,985,460.15 | 105,472.54 | 0.00 | 39.61% |
| CUSIP: 912796QZ5 | | | | | | | |
| United States Treasury Bill Zero 28 Mar 2019 | 30,675,000.00 | 99.8172 | 30,618,932.85 | 30,499,939.06 | 118,993.79 | 0.00 | 60.36% |
| CUSIP: 912796PX1 | | | | | | | |
| Total Fixed Income | | | \$50,709,865.54 | \$50,485,399.21 | \$224,466.33 | \$0.00 | 99.97% |
| Total Fixed Income | | | \$50,709,865.54 | \$50,485,399.21 | \$224,466.33 | \$0.00 | 99.97% |
| Cash and Cash Equivalents | | | | | | | |
| Cash and Cash Equivalents | | | | | | | |
| Heartland - Wide Savings | 16,209.04 | 1.00 | 16,209.04 | 16,209.04 | 0.00 | 359.84 | 0.03% |
| CUSIP: HTLFMM001 | | | | | | 2.22% | |
| Total Cash and Cash Equivalents | | | \$16,209.04 | \$16,209.04 | \$0.00 | \$359.84 | 0.03% |
| Total Cash and Cash Equivalents | | | \$16,209.04 | \$16,209.04 | \$0.00 | \$359.84 | 0.03% |
| Total For Your Portfolio | | | \$50,726,074.58 | \$50,501,608.25 | \$224,466.33 | \$359.84 | 100.00% |



WEALTH ADVISORY SERVICES

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019

Your Transaction Detail

| Trade Date | Transaction Description | Amount | Realized G/L |
|---|---|---------------------|---------------|
| Disbursements | | | |
| MST Inc. DIP Case 09 17787 Custodial Account | | | |
| Cash Transfers | | | |
| February 6, 2019 | Cash Transfer - Gross Receipts Tax To G053Z01 HTLF New Mexico Gross Receipts Tax Capital (Capital), | -1,501.02 | 0.00 |
| February 6, 2019 | NM Gross Receipts Tax for fees collected | | |
| Total Cash Transfers | | -\$1,501.02 | \$0.00 |
| Fees | | | |
| February 6, 2019 | One Time Fee \$19,060.70, Wealth Advisory Fee \$19,060.70, management fees for Sept 22, 2018 | -19,060.70 | 0.00 |
| February 6, 2019 | - Jan 21, 2019 | | |
| Total Fees | | -\$19,060.70 | \$0.00 |
| Total Disbursements | | -\$20,561.72 | \$0.00 |
| Corporate Actions/Income | | | |
| Dividends | | | |
| February 1, 2019 | Daily Rate Income on Heartland - Wide Savings For Period of 01/01/19 to 01/31/19 Due on 02/01/19 | 65.16 | 0.00 |
| February 1, 2019 | | | |
| February 1, 2019 | Daily Rate Income on Heartland - Wide Savings For Period of 01/01/19 to 01/31/19 Due on 02/01/19 | 3.32 | 0.00 |
| February 1, 2019 | | | |
| Total Dividends | | \$68.48 | \$0.00 |
| Total Corporate Actions/Income | | \$68.48 | \$0.00 |
| Other | | | |
| February 21, 2019 | Periodic Fee Invoice - Payment Due 6332.66 USD will be Invoiced for this account, Wealth Advisory | | 0.00 |
| February 21, 2019 | Fee: 6332.66 USD | | |
| Total Other | | \$0.00 | \$0.00 |
| Cash Sweep Activity | | | |
| February 28, 2019 | Sweep sales totaling -1,501.02 units of Heartland - Wide Savings for Cash (Capital) (1 Transactions) | 1,501.02 | 0.00 |
| February 28, 2019 | | | |
| February 28, 2019 | Sweep purchases totaling 3.32 units of Heartland - Wide Savings for Cash (Capital) (1 Transactions) | -3.32 | 0.00 |
| February 28, 2019 | | | |
| February 28, 2019 | Sweep sales totaling -19,060.70 units of Heartland - Wide Savings for Directed (Capital) (1 Transactions) | 19,060.70 | 0.00 |
| February 28, 2019 | | | |

WEALTH ADVISORY SERVICES

Your Transaction Detail (continued)

| Trade Date | Transaction Description | Amount | Realized G/L |
|---|--|--------------------|---------------|
| TMST Inc. DIP Case 09 17787 Custodial Account (Continued) | | | |
| Cash Sweep Activity (Continued) | | | |
| February 28, 2019 | Sweep purchases totaling 65.16 units of Heartland - Wide Savings for Directed (Capital) (1 | -65.16 | 0.00 |
| February 28, 2019 | Transactions) | | |
| Total Cash Sweep Activity | | \$20,493.24 | \$0.00 |
| Total | TMST Inc. DIP Case 09 17787 Custodial Account | \$0.00 | \$0.00 |



WEALTH ADVISORY SERVICES

For Your Information

The information provided herein is general in nature and is not intended to be nor should be construed as specific investment, legal or tax advice. The factual information has been obtained from sources believed to be reliable, but is not guaranteed as to accuracy or completeness. Wealth Advisory Services makes no warranties with regard to the information or results obtained by its use and disclaims any liability arising out of your use of, or reliance on, it. Products offered through Wealth Advisory Services are not FDIC insured, are not bank guaranteed and may lose value.

For accounts where New Mexico Bank & Trust or Arizona Bank & Trust is acting as trustee, a beneficiary may not commence a proceeding against the trustee for breach of trust more than one year after the date the beneficiary or a representative of the beneficiary was sent a report that adequately disclosed the existence of a potential claim for breach of trust.

Your Monthly Portfolio Statement
February 1, 2019 - February 28, 2019

WEALTH ADVISORY SERVICES

For Your Information (continued)

This page intentionally left blank.



PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

THORNBURG MORTGAGE INC
 UTILITY ACCOUNT
 DIP CASE #09-17787
 2300 NORTH RIDGETOP RD
 SANTA FE NM 87506-8361

*****807
 PAGE NUMBER 1
 STATEMENT DATE 02-28-19
 ENC

| | |
|---|-------------------|
| ----- | |
| * ACCOUNT TYPE: BUSINESS PREMIUM MONEY MARKET | |
| * ACCOUNT NUMBER: *****807 | |
| ----- | |
| BEGINNING BALANCE 01-31-19 | 5,537.05 |
| + DEPOSITS AND OTHER CREDITS | .00 |
| + INTEREST PAID | .42 |
| - CHECKS AND OTHER WITHDRAWALS | .00 |
| - SERVICE FEES | .00 |
| ENDING BALANCE 02-28-19 | 5,537.47 |
| ----- | |
| INTEREST SUMMARY | |
| INTEREST PAID THIS STATEMENT | .42 |
| INTEREST WITHHELD THIS STATEMENT | .00 |
| INTEREST PAID THIS YEAR | .89 |
| INTEREST WITHHELD THIS YEAR | .00 |
| ----- | |
| DEPOSITS AND OTHER CREDITS | |
| DATE DESCRIPTION | AMOUNT |
| 02/28/19 INTEREST PAID | .42 |
| ----- | |
| TOTAL # CREDITS 1 | TOTAL CREDITS .42 |
| ----- | |
| BALANCE SUMMARY | |
| DATE BALANCE DATE BALANCE DATE BALANCE | |
| 01/31/19 5,537.05 02/28/19 5,537.47 | |

PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

TMST HOME LOANS INC
 DIP CASE # 09 17787
 125 LINCOLN AVE SUITE 100
 SANTA FE NM 87501-2052

*****954
 PAGE NUMBER 1
 STATEMENT DATE 02-28-19
 ENC

```

-----
*                ACCOUNT TYPE:    BUSINESS ANALYSIS CHECKING
*                ACCOUNT NUMBER:  *****954

BEGINNING BALANCE 01-31-19                1,198.38
+ DEPOSITS AND OTHER CREDITS                .00
- CHECKS AND OTHER WITHDRAWALS              .00
- SERVICE FEES                             .00
ENDING BALANCE 02-28-19                1,198.38
-----
BALANCE SUMMARY
DATE          BALANCE    DATE          BALANCE    DATE          BALANCE
01/31/19      1,198.38
  
```

PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

TMST HOME LOANS INC
 DIP CASE # 09 17787
 125 LINCOLN AVE SUITE 100
 SANTA FE NM 87501-2052

*****989
 PAGE NUMBER 1
 STATEMENT DATE 02-28-19
 ENC

| | |
|---|---------------------------------|
| * ACCOUNT TYPE: BUSINESS ANALYSIS CHECKING | |
| * ACCOUNT NUMBER: *****989 | |
| BEGINNING BALANCE 01-31-19 | 6,642.29 |
| + DEPOSITS AND OTHER CREDITS | .00 |
| - CHECKS AND OTHER WITHDRAWALS | 392.28 |
| - SERVICE FEES | .00 |
| ENDING BALANCE 02-28-19 | 6,250.01 |
| ----- | |
| OTHER WITHDRAWALS | |
| DATE DESCRIPTION | AMOUNT |
| 02/01/19 ADP PAYROLL FEES ADP - FEES | 90.70- |
| GS ADVISORS, LLC | |
| 10414 9193851 | |
| 02/08/19 ADP PAYROLL FEES ADP - FEES | 119.25- |
| GS ADVISORS, LLC | |
| 10414 0216934 | |
| 02/22/19 ADP PAYROLL FEES ADP - FEES | 182.33- |
| GS ADVISORS, LLC | |
| 10414 2357692 | |
| TOTAL # OTHER WITHDRAWALS 3 | TOTAL OTHER WITHDRAWALS 392.28- |
| ----- | |
| BALANCE SUMMARY | |
| DATE BALANCE DATE BALANCE DATE BALANCE | |
| 01/31/19 6,642.29 02/01/19 6,551.59 02/08/19 6,432.34 | |
| 02/22/19 6,250.01 | |

PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

TMST HEDGING STRATEGIES INC
 DIP CASE # 09 17787
 125 LINCOLN AVE SUITE 100
 SANTA FE NM 87501-2052

*****856
 PAGE NUMBER 1
 STATEMENT DATE 02-28-19
 ENC

 * ACCOUNT TYPE: BUSINESS ANALYSIS CHECKING
 * ACCOUNT NUMBER: *****856
 BEGINNING BALANCE 01-31-19 446,396.00
 + DEPOSITS AND OTHER CREDITS .00
 - CHECKS AND OTHER WITHDRAWALS .00
 - SERVICE FEES .00
 ENDING BALANCE 02-28-19 446,396.00

BALANCE SUMMARY

| DATE | BALANCE | DATE | BALANCE | DATE | BALANCE |
|----------|------------|------|---------|------|---------|
| 01/31/19 | 446,396.00 | | | | |

PHONE 505-830-8100 OR 877-280-1856
 NEW MEXICO BANK & TRUST
 PO BOX 1048
 ALBUQUERQUE NM 87103-1048



Attn: Business Customers.
 2019 Pricing and Annual Sweep Disclosures
 may be located at:
<https://www.nmb-t.com/service-fees-business>

TMST INC
 125 LINCOLN AVE SUITE 100
 SANTA FE NM 87501-2052

*****842
 PAGE NUMBER 1
 STATEMENT DATE 02-28-19
 ENC

 * ACCOUNT TYPE: BUSINESS ANALYSIS CHECKING
 * ACCOUNT NUMBER: *****842
 BEGINNING BALANCE 01-31-19 4,000,002.00
 + DEPOSITS AND OTHER CREDITS .00
 - CHECKS AND OTHER WITHDRAWALS .00
 - SERVICE FEES .00
 ENDING BALANCE 02-28-19 4,000,002.00

BALANCE SUMMARY

| DATE | BALANCE | DATE | BALANCE | DATE | BALANCE |
|----------|--------------|------|---------|------|---------|
| 01/31/19 | 4,000,002.00 | | | | |

EXHIBIT A



THE BANK OF
NEW YORK MELLON
The Bank of New York Mellon
Trust Company, N.A.

THORNBURG-CS LIQUIDITY FD AC
Account 9638
December 31, 2013

00014236

PAGE 1 OF 4

SUMMARY OF ASSETS HELD

| | MARKET VALUE | TOTAL COST | ACCRUED INCOME | EST ANN INCOME | % A/C |
|--|--------------|------------|----------------|----------------|--------|
| FIXED INCOME INVESTMENTS | 1,001.76 | 1,001.76 | .00 | .10 | 99.95 |
| CASH | .47 | .47 | .00 | .00 | .05 |
| ACCOUNT TOTALS | \$1,002.23 | \$1,002.23 | \$.00 | \$.10 | 100.00 |
| TOTAL MARKET VALUE PLUS TOTAL ACCRUED INCOME | \$1,002.23 | | | | |

EXHIBIT A



THE BANK OF
NEW YORK MELLON
The Bank of New York Mellon
Trust Company, N.A.

THORNBURG-CS LIQUIDITY FD CASH AC
Account 9639
December 31, 2013

00015241

PAGE 1 OF 4

==

PRIMARY OF ASSETS HELD

| | MARKET VALUE | TOTAL COST | ACCRUED INCOME | EST ANN INCOME | % A/C |
|--|--------------|------------|----------------|----------------|--------|
| CASH | .00 | .00 | .00 | .00 | |
| ACCOUNT TOTALS | \$.00 | \$.00 | \$.00 | \$.00 | 100.00 |
| TOTAL MARKET VALUE PLUS TOTAL ACCRUED INCOME | \$.00 | | | | |

SUNTRUST BANK
PO BOX 305183
NASHVILLE TN 37230-5183

Page 1 of 2
66/E00/0175/0/72
9681
02/28/2019
0000

SUNTRUST

**Account
Statement**

JOEL I SHER CHAPTER 11 TRUSTEE
FOR TMST INC
CASE # 09-17787
JOEL I SHER-SHAPIO SHER GUINOT SANDL
250 W PRATT ST STE 2000
BALTIMORE MD 21201-6814

Questions? Please call
1-800-786-8787

Reminder:

Clients using any non-SunTrust ATM located in the U.S. are charged a \$3 fee, and are charged a \$5 fee for using ATMs located outside the U.S. The ATM owner may also charge an additional fee.
For clients who use their debit card for transactions in a currency other than U.S. dollars, the exchange rate will be increased by 3%. See the Business Accounts Fee Schedule at www.suntrust.com/businessfeeschedule for more information.

| Account Summary | Account Type | Account Number | Statement Period |
|-----------------|---------------------------|----------------|-------------------------|
| | PRIMARY BUSINESS CHECKING | 9681 | 02/01/2019 - 02/28/2019 |

| Description | Amount | Description | Amount |
|--------------------|-----------------|------------------------------------|-----------------|
| Beginning Balance | \$10,856,005.65 | Average Balance | \$10,856,005.65 |
| Deposits/Credits | \$0.00 | Average Collected Balance | \$10,856,005.65 |
| Checks | \$0.00 | Number of Days in Statement Period | 28 |
| Withdrawals/Debits | \$0.00 | | |
| Ending Balance | \$10,856,005.65 | | |

| Overdraft Protection | Account Number | Protected By |
|--|----------------|--------------|
| | | Not enrolled |
| For more information about SunTrust's Overdraft Services, visit www.suntrust.com/overdraft . | | |

| Balance Activity History | Date | Balance | Collected Balance |
|--------------------------|-------|---------------|-------------------|
| | 02/28 | 10,856,005.65 | 10,856,005.65 |

The Ending Daily Balances provided do not reflect pending transactions or holds that may have been outstanding when your transactions posted that day. If your available balance wasn't sufficient when transactions posted, fees may have been assessed.

Exhibit B

TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al.
Accounts Receivable
As of February 28, 2019

| Post Petition | | Date | Amount | Under 30 days | 30 to 60 days | 61 to 90 days | 91 to 120 days | Over 120 days | Unavailable |
|---|-----|-----------|------------|---------------|---------------|---------------|----------------|---------------|-------------|
| Borrower Escrow Advance Balance | (1) | Various | 180,117 | - | - | - | - | - | 180,117 |
| Borrower Corporate Advance Balance | (1) | Various | 10,828 | - | - | - | - | - | 10,828 |
| Borrower Inspection Fees | (1) | Various | 63 | - | - | - | - | - | 63 |
| New Mexico Bank & Trust | | 2/28/2019 | 75 | 75 | - | - | - | - | - |
| Total Post Petition Accounts Receivable | | | \$ 191,083 | \$ 75 | \$ - | \$ - | \$ - | \$ - | \$ 191,008 |

| Pre Petition | | Date | Amount |
|--|-----|---------|------------|
| Borrower Escrow Advance Balance | (1) | Various | 119,108 |
| Borrower Inspection Fees | (1) | Various | 150 |
| Total Pre Petition Accounts Receivable | | | \$ 119,258 |

(1) Receivable amounts include balances due from multiple mortgage loan holders. Aging of the balances due is not available.

TMSI, Inc. f/k/a Thornburg Mortgage, Inc., et al.
Post Petition Accounts Payable
As of February 28, 2019

Exhibit C

| Vendor | Date | Amount | Under 30 days | 30 to 60 days | 61 to 90 days | 91 to 120 days | Over 120 days |
|--|----------|--------|---------------|---------------|---------------|----------------|---------------|
| Chapter 11 Trustee, Joel I. Sher | 11/30/09 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 12/31/09 | 75,000 | - | - | - | - | 75,000 |
| Quinn Emanuel Urquhart Oliver & Hedges | 12/31/09 | 60,000 | - | - | - | - | 60,000 |
| Chapter 11 Trustee, Joel I. Sher | 01/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 02/28/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 03/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 04/30/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 05/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 06/30/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 07/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 08/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 09/30/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 10/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 11/30/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 12/31/10 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 01/31/11 | 75,000 | - | - | - | - | 75,000 |
| J.H. Cohn LLP | 01/31/11 | 3,749 | - | - | - | - | 3,749 |
| Chapter 11 Trustee, Joel I. Sher | 02/28/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 03/31/11 | 75,000 | - | - | - | - | 75,000 |
| J.H. Cohn LLP | 03/31/11 | 1,737 | - | - | - | - | 1,737 |
| Chapter 11 Trustee, Joel I. Sher | 04/30/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 05/31/11 | 75,000 | - | - | - | - | 75,000 |
| J.H. Cohn LLP | 05/31/11 | 1,664 | - | - | - | - | 1,664 |
| Chapter 11 Trustee, Joel I. Sher | 06/30/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 07/31/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 08/31/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 09/30/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 10/31/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 11/30/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 12/31/11 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 01/31/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 02/29/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 03/31/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 04/30/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 05/31/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 06/30/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 07/31/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 08/31/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 09/30/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 10/31/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 11/30/12 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 12/31/12 | 75,000 | - | - | - | - | 75,000 |
| Broadsolutions, LLC | 01/31/13 | 6,563 | - | - | - | - | 6,563 |
| Chapter 11 Trustee, Joel I. Sher | 01/31/13 | 75,000 | - | - | - | - | 75,000 |
| Cohnreznick LLP (f/k/a J.H. Cohn LLP) | 01/31/13 | 3,441 | - | - | - | - | 3,441 |
| Broadsolutions, LLC | 02/28/13 | 4,935 | - | - | - | - | 4,935 |
| Chapter 11 Trustee, Joel I. Sher | 02/28/13 | 75,000 | - | - | - | - | 75,000 |
| Broadsolutions, LLC | 03/31/13 | 5,985 | - | - | - | - | 5,985 |
| Chapter 11 Trustee, Joel I. Sher | 03/31/13 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 04/30/13 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 05/31/13 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 06/30/13 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 07/31/13 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 08/31/13 | 75,000 | - | - | - | - | 75,000 |
| Chapter 11 Trustee, Joel I. Sher | 09/30/13 | 50,000 | - | - | - | - | 50,000 |
| Grant Thornton LLP | 08/31/18 | 635 | - | - | - | - | 635 |
| Grant Thornton LLP | 09/30/18 | 1,903 | - | - | - | - | 1,903 |
| Shapiro Sher Guinot & Sandler | 09/30/18 | 7,349 | - | - | - | - | 7,349 |

TMSI, Inc. f/k/a Thornburg Mortgage, Inc., et al.
Post Petition Accounts Payable
As of February 28, 2019

Exhibit C

| Vendor | Date | Amount | Under 30 days | 30 to 60 days | 61 to 90 days | 91 to 120 days | Over 120 days |
|--|----------|--------------|---------------|---------------|---------------|----------------|---------------|
| Tydings & Rosenberg LLP | 09/30/18 | 1,644 | - | - | - | - | 1,644 |
| Grant Thornton LLP | 10/31/18 | 685 | - | - | - | 685 | - |
| Shapiro Sher Guinot & Sandler | 10/31/18 | 3,639 | - | - | - | 3,639 | - |
| Tydings & Rosenberg LLP | 10/31/18 | 1,356 | - | - | - | 1,356 | - |
| Grant Thornton LLP | 11/30/18 | 1,538 | - | - | 1,538 | - | - |
| Shapiro Sher Guinot & Sandler | 11/30/18 | 2,145 | - | - | 2,145 | - | - |
| TrustPoint Court Reporting | 11/30/18 | 547 | - | - | 547 | - | - |
| Tydings & Rosenberg LLP | 11/30/18 | 564 | - | - | 564 | - | - |
| Grant Thornton LLP | 12/31/18 | 10,260 | - | 10,260 | - | - | - |
| KPMG | 12/31/18 | 35,473 | - | 35,473 | - | - | - |
| Quinn Emanuel Urquhart Oliver & Hedges | 12/31/18 | 5,473 | - | 5,473 | - | - | - |
| Shapiro Sher Guinot & Sandler | 12/31/18 | 43,516 | - | 43,516 | - | - | - |
| Susman Godfrey L.L.P. | 12/31/18 | 59,382 | - | 59,382 | - | - | - |
| Tydings & Rosenberg LLP | 12/31/18 | 2,355 | - | 2,355 | - | - | - |
| Cloude Discovery LLC | 01/01/19 | 35,997 | - | 35,997 | - | - | - |
| Crystal Springs | 01/31/19 | 30 | 30 | - | - | - | - |
| Epig Bankruptcy Solutions, LLC | 01/31/19 | 2,870 | 2,870 | - | - | - | - |
| FedEx | 01/31/19 | 77 | 77 | - | - | - | - |
| Grant Thornton LLP | 01/31/19 | 10,000 | 10,000 | - | - | - | - |
| iControls! | 01/31/19 | 14,326 | 14,326 | - | - | - | - |
| Iron Mountain Information Management | 01/31/19 | 698 | 698 | - | - | - | - |
| Quinn Emanuel Urquhart Oliver & Hedges | 01/31/19 | 1,375 | 1,375 | - | - | - | - |
| Shapiro Sher Guinot & Sandler | 01/31/19 | 15,652 | 15,652 | - | - | - | - |
| Susman Godfrey L.L.P. | 01/31/19 | 64,121 | 64,121 | - | - | - | - |
| TBCConsulting | 01/31/19 | 54,176 | 54,176 | - | - | - | - |
| Tydings & Rosenberg LLP | 01/31/19 | 5,449 | 5,449 | - | - | - | - |
| AT&T TeleConference | 02/01/19 | 6 | 6 | - | - | - | - |
| Mildcon Data Services | 02/01/19 | 2,578 | 2,578 | - | - | - | - |
| Crumbacher Business Systems Inc. | 02/12/19 | 35 | 35 | - | - | - | - |
| TMSI Employee | 02/12/19 | 1,868 | 1,868 | - | - | - | - |
| American Stock Transfer & Trust | 02/13/19 | 1,145 | 1,145 | - | - | - | - |
| Level3 Communications, LLC | 02/17/19 | 1,285 | 1,285 | - | - | - | - |
| Bloomberg | 02/19/19 | 6,962 | 6,962 | - | - | - | - |
| FedEx | 02/22/19 | 44 | 44 | - | - | - | - |
| Crystal Springs | 02/28/19 | 23 | 23 | - | - | - | - |
| Epig Bankruptcy Solutions, LLC | 02/28/19 | 7,285 | 7,285 | - | - | - | - |
| Grant Thornton LLP | 02/28/19 | 10,000 | 10,000 | - | - | - | - |
| iControls! | 02/28/19 | 14,176 | 14,176 | - | - | - | - |
| Iron Mountain Information Management | 02/28/19 | 698 | 698 | - | - | - | - |
| Quinn Emanuel Urquhart Oliver & Hedges | 02/28/19 | 1,375 | 1,375 | - | - | - | - |
| Shapiro Sher Guinot & Sandler | 02/28/19 | 30,000 | 30,000 | - | - | - | - |
| Susman Godfrey L.L.P. | 02/28/19 | 60,000 | 60,000 | - | - | - | - |
| TBCConsulting | 02/28/19 | 59,458 | 59,458 | - | - | - | - |
| Tydings & Rosenberg LLP | 02/28/19 | 2,017 | 2,017 | - | - | - | - |
| Payroll Accrual | 02/28/19 | 13,168 | 13,168 | - | - | - | - |
| Post Petition Accounts Payable | | \$ 4,183,426 | \$ 380,892 | \$ 192,456 | \$ 4,794 | \$ 5,679 | \$ 3,599,604 |

NOTE: Includes estimates for amounts that may be due to professionals for which an invoice for services had not been received. Amounts asserted by vendors may be subject to adjustments and bankruptcy court approval.

DEBTOR: TMST, Inc. f/k/a Thornburg Mortgage, Inc., et al. CASE NO: 09-17787

Exhibit D

For Period Ending February 28, 2019

**EXPLANATORY STATEMENT
RESERVATION OF RIGHTS AND GLOBAL FOOTNOTES
FOR MONTHLY OPERATING REPORT**

The Trustee reserve all rights to dispute the amount, allowance, priority, treatment and/or secured or other status of any and all claims against the Debtors or their estates referred to herein. The Trustee reserve the right to (a) amend and supplement this Monthly Operating Report from time to time, and (b) assert any and all potential claims and causes of action of the Debtors' estates regardless of whether such claim or cause of action is identified herein.

Any values presented are not and should not be deemed to be an admission, representation or waiver with respect to the actual value of any asset or amount of any liability or claim. The actual realizable value and/or fair market value of assets, liabilities and claims may differ significantly from the values presented.

The Trustee prepared this Monthly Operating Report with the assistance of his financial advisor, Goldin Associates, LLC ("Goldin"), based upon the information available to date. This Monthly Operating Report does not purport to present financial statements in accordance with Generally Accepted Accounting Principles, and the information contained herein has not been subjected to audit or review by Goldin or any other party on behalf of the Trustee.

This Explanatory Statement, Reservation of Rights and Global Footnotes is hereby incorporated by reference into, and comprises an integral part of, the Debtors' Monthly Operating Report and should be referred to and considered in connection with any review of the report.